

MEMORANDUM

Agenda Item No. 8(F)(1)

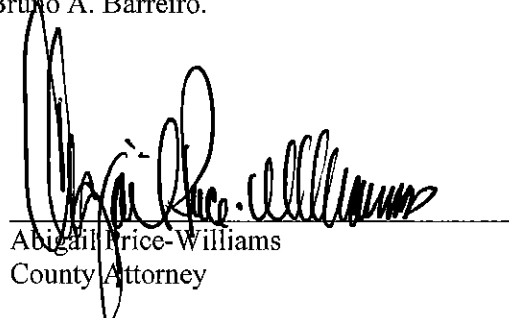
TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

DATE: April 19, 2016

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Resolution approving terms of and authorizing execution by the County Mayor of a Settlement Agreement and Release between Miami-Dade County, the City of Miami, AIG Specialty Insurance Company, and Marlins Stadium Developer, LLC, Marlins Stadium Operator, LLC, Florida Marlins, L.P. now doing business as Miami Marlins L.P. in the amount of \$2,910,142.13, of which \$535,142.13 has already been paid; approving terms of and authorizing execution by the County Mayor of a distribution agreement between Miami-Dade County, the City of Miami, Marlins Stadium Developer, LLC, Marlins Stadium Operator, LLC, and Florida Marlins, L.P. now doing business as Miami Marlins L.P. allocating the distribution of the settlement funds with the County receiving \$327,882.17, the County-owned Capital Reserve Account for the Ballpark receiving \$2,304,377.78, and the City of Miami receiving \$277,882.17; and authorizing the County Mayor to exercise any and all other rights conferred in such agreements

The accompanying resolution was prepared by the Internal Services Department and placed on the agenda at the request of Prime Sponsor Commissioner Bruno A. Barreiro.



Abigail Price-Williams
County Attorney

APW/cp

Memorandum



Date: April 19, 2016

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

A handwritten signature in black ink, appearing to read "Carlos A. Gimenez", written over the name and title.

Subject: Resolution Approving a Settlement Agreement and Release with AIG Specialty Insurance Company and a Distribution Agreement between Miami-Dade County, City of Miami, and Miami Marlins Entities

Recommendation

It is recommended that the Board of County Commissioners (Board) approve the Settlement Agreement and Release between Miami-Dade County (County); the City of Miami (City); AIG Specialty Insurance Company (AIG); and Marlins Stadium Developer, LLC, Marlins Stadium Operator, LLC, and Florida Marlins, L.P. now doing business as Miami Marlins, L.P. (collectively referred to as Marlins) arising from claims made against the AIG environmental policy. Pursuant to the Settlement Agreement and Release, AIG shall pay \$2,375,000.00, which is in addition to \$535,142.13 previously paid by AIG for said environmental claims relating to the development of the Marlins Park Ballpark (Ballpark) for a total amount of \$2,910,142.13. It is further recommended that the Board approve the Distribution Agreement between the County, City, and Marlins allocating the distribution of the settlement funds.

Scope

The Ballpark is located in District 5, which is represented by Commissioner Barreiro, but this settlement agreement has countywide significance.

Fiscal Impact/Funding Source

The County-owned Capital Reserve Account for the Ballpark will receive \$2,304,377.78 for the environmental claims and such funds are required by the Operating Agreement to be used for future capital expenses. The County will receive \$327,882.17 for claims arising from the Public Infrastructure portion of the project and such funds shall be deposited in the Capital Outlay Reserve Fund. The City will receive \$277,882.17 for claims arising from the Public Infrastructure portion of the project.

Track Record/Monitoring

Jose A. Galan, Division Director of the Real Estate Development Division in the Internal Services Department, is managing this project.

Background

As part of the Ballpark construction, the Marlins purchased a Pollution Legal Liability policy with coverage limits in the amount \$8,000,000. The City agreed to contribute \$147,630.00 towards the cost of the policy and assumed responsibility for the \$50,000.00 deductible. Beginning on April 3, 2009, the Marlins worked with the County's Regulatory and Economic Resources Department (RER) regarding the monitoring of groundwater, wells, dewatering operations, and stormwater drainage. As required by RER, soil boring tests were conducted and monitoring wells were installed. The results of these tests indicated arsenic in the soil and groundwater. The arsenic was eradicated using an extensive treatment system that included a dewatering discharge operation, the excavation of soil, and the import of new soil. In addition, 25,000 tons of impacted soil previously intended for use at the Ballpark site had to be disposed of in landfills approved to receive hazardous waste.

In October 2009, the Marlins submitted an insurance claim to AIG regarding the pollution encountered in the groundwater at the site. The amount of the insurance claim totaled \$5,601,946.00. The claim


was based on the actual mitigations cost for the Ballpark and Public Infrastructure. A detailed summary of these expenses is attached as Exhibit A.

Since the filing of the claim, a number of meetings between the Marlins and AIG have taken place to resolve the matter. In 2013, AIG made a payment to the Marlins of \$535,142.13 less the \$50,000 deductible. Considering the complexity of the matters involved in the claim, the Marlins and AIG agreed that as the next step, a mediation hearing would offer the best prospect of an efficient and acceptable resolution to an insurance dispute that would otherwise be costly to litigate. The County, City, Marlins, and AIG attended a mediation hearing on November 12, 2015. After the hearing, the parties entered into a Settlement Agreement for a total amount of \$2,910,412.13, subject to approval by the County's Board and the City Commission. The City Commission approved the agreement on February 11, 2016.

The County, City, and Marlins prepared the Distribution Agreement, which sets forth how the \$2,910,412.13 settlement would be split amongst the Capital Reserve Account, County, and City. The split is proportionate to the mitigations cost for the Ballpark and Public Infrastructure, with the Capital Reserve Account receiving 73.3% for the Ballpark and the County and City equally splitting the remaining 26.7% for the Public Infrastructure, as shown below:

	Capital Reserve Account (73.3%)	County (13.35%)	City (13.35%)
AIG Settlement	\$ 2,133,134.18	\$ 388,503.97	\$ 388,503.97
Insurance Deductible	-	-	(50,000.00)
Insurance Deductible Redistribution	36,650.00	6,675.00	6,675.00
Reimbursement for Attorney's Fees Paid by the Ballpark project funds	134,593.60	(67,296.80)	(67,296.80)
Net Payment	\$ 2,304,377.78	\$ 327,882.17	\$ 277,882.17

Attachment



Edward Marquez
Deputy Mayor

Marlins Ballpark Environmental Claim and Cost Summary
Exhibit A

		<u>Ballpark</u>	<u>Public Infrastructure</u>
Item 1: Treatment system Ballpark			
Cost	\$ 2,789,319	\$ 2,789,319	
Cost Summary schedule:			
Subtotal CM/Construction Items	\$ 3,470,262		
Cost of field Liner	(369,654)		
Drainage revision	(311,289)		
Total	\$ 2,789,319		
Item 2: Delineation			
Cost	\$ 104,722		
Additional consulting PI-EC-13,14,15	37,898		
Adjustment for unbilled BV proposal	(8,007)		
Adjusted amount	\$ 134,613	\$ 71,982	\$ 62,631
Cost Summary schedule:			
Subtotal environmental costs Bprk	\$ 71,982		
Subtotal environmental costs PI	62,631		
Total	\$ 134,613		
Item 3: Treatment system P.I.			
Cost	\$ 847,303		\$ 847,303
Cost Summary schedule:			
P.I. subtotal	\$ 847,303		
Item 4: Treatment system Ballpark			
Field liner	\$ 369,654		
Drainage revision	311,289		
Adjusted amount	\$ 680,943	\$ 680,943	
Cost Summary schedule:			
Field liner	\$ 369,654		
Drainage revision	311,289		
Total	\$ 680,943		
Item 5: Contaminated soil export			
Cost	\$ 1,079,915	\$ 496,724	\$ 583,181
Cost Summary schedule:			
Contaminated soil export	\$ 1,079,915		
Item 6: Formal Closure			
Cost	\$ 50,000		
Adjustment to closure cost estimate	19,863		
Adjusted amount	\$ 69,863	\$ 69,863	
Cost Summary schedule:			
Contaminated soil export	\$ 69,863		
Total Claim			
Cost	\$ 5,552,202		
Additional consulting PI-EC-13,14,15	37,888		
Adjustment for unbilled BV proposal	(8,007)		
Adjustment to closure cost estimate	19,863		
Adjusted amount	\$ 5,601,946	\$ 4,108,831	\$ 1,493,115
Cost Summary schedule:			
Total claim	\$ 5,601,946	73.3%	26.7%

Ballpark - Marlins Park
P.I. - Public Infrastructure

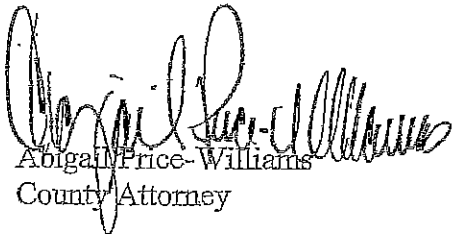


MEMORANDUM

(Revised)

TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

DATE: April 19, 2016

FROM: 
Abigail Price-Williams
County Attorney

SUBJECT: Agenda Item No. 8(F)(1)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Statement of social equity required
- ☒ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(F)(1)
4-19-16

RESOLUTION NO. _____

RESOLUTION APPROVING TERMS OF AND AUTHORIZING EXECUTION BY THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE OF A SETTLEMENT AGREEMENT AND RELEASE BETWEEN MIAMI-DADE COUNTY, THE CITY OF MIAMI, AIG SPECIALTY INSURANCE COMPANY, AND MARLINS STADIUM DEVELOPER, LLC, MARLINS STADIUM OPERATOR, LLC, FLORIDA MARLINS, L.P. NOW DOING BUSINESS AS MIAMI MARLINS L.P. IN THE AMOUNT OF \$2,910,142.13, OF WHICH \$535,142.13 HAS ALREADY BEEN PAID; APPROVING TERMS OF AND AUTHORIZING EXECUTION BY THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE OF A DISTRIBUTION AGREEMENT BETWEEN MIAMI-DADE COUNTY, THE CITY OF MIAMI, MARLINS STADIUM DEVELOPER, LLC, MARLINS STADIUM OPERATOR, LLC, AND FLORIDA MARLINS, L.P. NOW DOING BUSINESS AS MIAMI MARLINS L.P. ALLOCATING THE DISTRIBUTION OF THE SETTLEMENT FUNDS WITH THE COUNTY RECEIVING \$327,882.17, THE COUNTY-OWNED CAPITAL RESERVE ACCOUNT FOR THE BALLPARK RECEIVING \$2,304,377.78, AND THE CITY OF MIAMI RECEIVING \$277,882.17; AND AUTHORIZING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED IN SUCH AGREEMENTS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. This Board hereby approves the Settlement Agreement and Release (Attachment 1) between Miami-Dade County, the City of Miami, AIG Specialty Insurance Company, Marlins Stadium Developer, LLC, Marlins Stadium Operator, LLC, and Florida Marlins, L.P. now doing business as Miami Marlins L.P. in the amount of \$2,910,142.13, of

which \$535,142.13 has already been paid, to forever resolve any and all claims and issues between the parties, and authorizes the County Mayor or the County Mayor's designee to execute the Settlement Agreement and Release for and on behalf of Miami-Dade County and to exercise any and all other rights conferred therein.

Section 2. This Board hereby approves the Distribution Agreement (Attachment 2) between Miami-Dade County, the City of Miami, Marlins Stadium Developer, LLC, Marlins Stadium Operator, LLC, and Florida Marlins, L.P. now doing business as Miami Marlins L.P. allocating the distribution of the settlement funds with Miami-Dade County receiving \$327,882.17, the County-owned Capital Reserve Account for the Ballpark receiving 2,304,377.78, and the City of Miami receiving \$277,882.17, and authorizes the County Mayor or County Mayor's designee to execute the Distribution Agreement for and on behalf of Miami-Dade County and to exercise any and all other rights conferred therein.

The foregoing resolution was offered by Commissioner ,
who moved its adoption. The motion was seconded by Commissioner
and upon being put to a vote, the vote was as follows:

Jean Monestime, Chairman
Esteban L. Bovo, Jr., Vice Chairman

Bruno A. Barreiro
Jose "Pepe" Diaz
Sally A. Heyman
Dennis C. Moss
Sen. Javier D. Souto
Juan C. Zapata

Daniella Levine Cava
Audrey M. Edmonson
Barbara J. Jordan
Rebeca Sosa
Xavier L. Suarez

The Chairperson thereupon declared the resolution duly passed and adopted this 19th day of April, 2016. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Monica Rizo Perez

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is entered into effective as of the date it is fully executed, and is entered into by and between Marlins Stadium Developer, LLC, Marlins Stadium Operator, LLC, Florida Marlins, L.P. (now doing business as Miami Marlins, L.P.) (collectively referred to as the "Miami Marlins"), Double Play Company, Miami-Dade County, City of Miami (all of the foregoing collectively the "Marlins Parties"), and AIG Specialty Insurance Company, f/k/a American International Specialty Lines Insurance Company ("AIG Specialty"). The entities referenced above are collectively referred to as the "Parties."

Recitals

A. This Agreement relates to claims related to the construction of the new Marlins baseball stadium in Miami, Florida ("Stadium"). The Marlins Parties purchased a Pollution Legal Liability Policy Number 12119460 for the Policy Period from August 28, 2008 to August 28, 2018 (the "PLL") and a Contractors Pollution Liability Policy Number 25825364 for the Policy Period from July 1, 2009 to May 1, 2012 from American International Specialty Lines Insurance Company n/k/a AIG Specialty (collectively the "Policies").

B. The Parties participated in a mediation on Thursday, November 12, 2015, in Miami-Dade County, Florida and have reached a settlement of all Claims that the Marlins Parties now have or have had arising out of the Released Matters.

C. This settlement is subject to approval of the Miami City Commission and the Miami-Dade County Board of County Commissioners.

D. In consideration of the foregoing and in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the parties agree as follows:

Agreement

1. The above recitals are true and correct.

2. Definitions

For purposes of this Agreement, the following terms shall hereinafter have the meanings set forth below:

A. "Claims" shall mean all past, present and future demands for payment or other actions or obligations, including without limitation, suits, causes of action, debts, sums of money, accounts, reckonings, bills, covenants, contracts, controversies, agreements, promises, damages, judgments, claims, cross-claims, counter-claims, contribution claims, demands, requests, orders, mandates, requirements, liabilities and/or losses arising out of or in any way related to the Released Matters (as defined in Paragraph 5 below). "Claims" does not include AIG Specialty's obligation to pay the Settlement Amount required in this Agreement.

B. "Effective Date" shall mean the latest date of execution of this Agreement by any Party's authorized representatives.

3. Permanent And Binding Resolution: This Agreement is a permanent and binding accord and resolution of the rights and obligations of the Parties with respect to all matters which are the subject of this Agreement.

4. Payment By AIG Specialty: In consideration of the agreement by the Marlins Parties to release or procure the release of AIG Specialty to the full extent set forth in this Agreement, AIG Specialty agrees to pay the single and total sum of Two Million Three-Hundred Seventy-Five Thousand and 00/100 Dollars (\$2,375,000.00) to the Marlins Parties without setoff for any past payments (the "Settlement Amount"). AIG Specialty shall make payment of the Settlement Amount within twenty (20) days of AIG Specialty's receipt of a fully executed copy of this Agreement pursuant to Section 23. Payment shall be made by check(s) or draft(s) to

Marlins Stadium Developer, LLC and shall be complete upon deposit in first-class mail to the offices of the above entities at 501 Marlins Way, Miami, FL 33125.

5. Release: For and in consideration of the promises contained herein, and other good and valuable consideration furnished, the receipt and sufficiency of which is hereby acknowledged, the Marlins Parties and their affiliates, successors, and assigns, hereby release, remise, and forever discharge AIG Specialty and any other company corporately affiliated with AIG Specialty, its predecessors in interest, or its parent companies (including, but not limited to, those entities identified on Exhibit 1 attached hereto and incorporated herein by this reference), and their predecessors, successors, assigns, parent corporations, subsidiaries, affiliates, and agents, and the officers, directors, employees, agents, attorneys, shareholders, and representatives of any of them (hereinafter referred to as "Releasees") from any and all duties, liabilities, responsibilities, or obligations for, related to, or with regard to any and all claims that the Marlins Parties now have or have had, whether known or unknown, direct or consequential, asserted or unasserted, arising out of or in connection with any claims against the Policies ("Released Matters").

Upon execution of this Release, the Releasees shall have no further duties or obligations except as expressly provided for in this Agreement, based upon, arising out of or related in any way to the AIG Specialty Policies with respect to the Released Matters.

6. Indemnification/Hold Harmless:

6.1 The Miami Marlins and their affiliates, successors, and assigns agree to indemnify, defend, and hold harmless AIG Specialty from and against any claims, potential claims or causes of action, demands, damages, losses, costs, and expenses, attorneys' fees, court costs, awards, settlements, judgments, penalties, fines, liens, actions or causes of action at law or in equity, whether direct or indirect, known, or unknown, foreseen or unforeseen arising out of or relating in any way to the Claims that the Marlins Parties now have or have had under the Policies.

6.2 The indemnity obligation defined in Section 6.1 and its subsections applies to any and all claims, judgments, demands, actions and causes of action arising out of the Claims that may be asserted by anyone claiming by, through, or under the Marlins Parties.

6.3 By granting this Indemnity, it is the intention of the Miami Marlins that AIG Specialty will not, at any time, be called upon to pay any further sum to the Marlins Parties, or anyone claiming by, through or under the Marlins Parties, as a result of any Claims that the Marlins Parties now have or have had under the Policies

6.4 It is stipulated among the Parties, that the aforementioned indemnity language complies with the applicable laws of Florida and is valid and enforceable.

7. Confidentiality: It is understood and agreed that this Agreement is a public record and is subject to public meeting for approval by Miami-Dade County and the City of Miami. All of the negotiations leading to the Agreement and all of the communications generated pursuant to it, including information disclosed pursuant to the mediation process (collectively, "Confidential Compromise Material"), shall be kept strictly confidential and shall not be disclosed to any person, corporation, or other entity not a Party to this Agreement except (i) in response to a judicial order compelling disclosure or as may otherwise be required by law including Florida Statutes Chapter 119 and applicable public records laws or be necessary to defend or assert claims by or against any party hereto in a judicial proceeding, (ii) to owners, shareholders, and subsidiary, affiliate, associated, or parent companies of the Parties and their counsel, (iii) to AIG Specialty's reinsurers or its retrocessionaires, (iv) to any company engaged to make payments to the Marlins Parties on behalf of AIG Specialty, or (v) to auditors of or counsel to the Parties upon their request provided, however, that disclosure pursuant to subparts (iii) through (v) above shall only be made under appropriate assurances or circumstances of confidentiality. The Parties shall cooperate to protect the Confidential Compromise Material from disclosure and shall contest all requests, motions, or applications for

such Confidential Compromise Material. In the event of a request, motion or application seeking disclosure of the Confidential Compromise Material, the Party with knowledge of such request, motion, or application shall notify the other Party in writing immediately and in sufficient time for each Party to oppose such request, motion, or application. The Parties hereto may waive this provision (and any other provision of this Agreement) only if each Party hereto consents in writing.

8. No Admission: By entering into this Agreement, the Parties do not intend to make, nor shall they be deemed to have made, any admission of any kind. The Parties agree that they are entering into this Agreement solely as a business decision for the purposes of settling certain disputes between them and to avoid the cost of further litigation with respect to these disputes. This Agreement is the product of informed negotiations and compromises of previously stated legal positions. Nothing contained in this Agreement shall be construed as an admission by any Party as to the merit or lack of merit of any particular theory relating to the payment of claims arising out of or relating to the Marlins Parties' operations or any other type of claim. Statements made in the course of negotiations have been and shall be without prejudice to the rights of the Parties in any disputes or transactions with any other persons or entities not a party to this Agreement. This Agreement does not necessarily reflect the views of AIG Specialty as to the actual scope of coverage of its policies. With respect to all such matters or persons, the Parties hereby reserve all previously held positions and all other rights and privileges.

9. Use of Agreement: The Parties agree that this Agreement and any acts in the performance of this Agreement are not intended to be, nor shall they in fact be, used in any case or other proceeding for any purpose, including, but not limited to, efforts to prove either the acceptance by any Party hereto of any particular theory of coverage or as evidence of any obligation that any Party hereto has or may have to anyone. Provided, however, that nothing contained in this section shall be interpreted to restrict the right of any Party (a) to disclose the

Agreement as permitted by Section 6 herein, (b) to bring a claim or to introduce evidence predicated on a breach of this Agreement, or (c) to provide proof as to the fact of settlement and release provided herein if necessary to respond to a suit or claim.

10. Protection Afforded: In addition to the confidentiality provisions contained herein and not by way of limitation thereof, this Agreement shall be deemed to fall within the protection afforded compromises and offers to compromise by Rule 408 of the Federal Rules of Evidence and any similar state law provision.

11. No Precedential Value: This Agreement is without prejudice or value as precedent and shall not be used in any proceeding or hearing to create, prove, or interpret the obligations under, or terms and conditions of, any other agreement or any insurance policy.

12. Agreement Is Not A Policy Of Insurance: This Agreement is not a policy of insurance, and the Parties do not intend that it will be interpreted as such.

13. Entire Agreement: This Agreement and Exhibit 1 attached hereto constitutes the entire Agreement between the Marlins Parties and AIG Specialty regarding the claims under the AIG Specialty Policies with respect to the matters released hereunder (but shall not nullify, affect, or otherwise modify the terms of any other agreement between the Marlins Parties and AIG Specialty or for the benefit of AIG Specialty or the Marlins Parties which is related to the AIG Specialty Policies including, but not limited to, any indemnification agreement, promissory note, credit agreement, or retrospective premium agreement). Except as explicitly set forth in this Agreement, there are no representations, warranties, or inducements, whether oral, written, expressed, or implied, that in any way affect or condition the validity of this Agreement or any of its conditions or terms. All prior negotiations, oral or written, are merged in this Agreement.

14. No Assignment: The Marlins Parties warrant as of the Effective Date of this Agreement that it has not assigned, conveyed, or otherwise transferred any claims, demands, causes of action, rights, or obligations related in any way to the AIG Specialty Policies or any

proceeds thereof, or to the claims, losses, and expenses released herein, to any other person or entity, nor shall the Marlins Parties hereafter do so.

15. Knowledge of Other Claims: The Marlins Parties warrant and represent that as of the Effective Date of this Agreement the Marlins Parties are not aware of any other possible claims or actual claims related to the Policies against any of the Marlins Parties relating to the Stadium property.

16. Other Assurances: Each Party hereto shall provide such further and other written assurances necessary to effectuate the terms and intent hereof. In the event that any Party seeks a Court Order determining that the settlement was effective and/or in good faith, the Parties, to the fullest extent possible, shall cooperate and assist each other in obtaining said good faith settlement determination.

17. Applicable Law: This Agreement shall be interpreted under and governed by the laws of the State of Florida without regard to general principles of choice of law which might otherwise call for the application of a different state's or jurisdiction's law.

18. Authorship: The Parties agree that this Agreement reflects the joint drafting efforts of all Parties. In the event any dispute, disagreement or controversy arises regarding this Agreement, the Parties shall be considered joint authors and no provision shall be interpreted against any Party because of authorship or because AIG Specialty is an insurance company. Each Party also agrees that it is fully informed as to the meaning and intent of this Agreement and has been advised by independent counsel of its choosing in that regard.

19. Execution: This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

20. Amendment: This Agreement may not be amended or modified except by a written instrument signed by the duly authorized representatives of all of the Parties.

21. Headings: The headings of sections are designed to facilitate ready reference to subject matter and shall be disregarded when resolving any dispute concerning the meaning or interpretation of any language contained in this Agreement.

22. Severability: In the event that any of the provisions of this Agreement are deemed to be invalid and unenforceable, those provisions shall be severed from the remainder of this Agreement.

23. Notices: Any statements, communications or notices to be provided pursuant to this Agreement shall be sent by certified mail to the attention of the Parties Indicated below, until such time as notice of any change of person to be notified or change of address is forwarded to all Parties:

(a) To the Miami Marlins:

Miami Marlins, L.P.
501 Marlins Way
Miami, FL 33125

With a Copy To:

Jeffrey R. Appelbaum, Esq.
Thompson Hine, LLP
3900 Key Center, 127 Public Square
Cleveland, OH 44114

(b) To Miami-Dade County:

Miami-Dade County
Stephen P. Clark Center
111 N.W. 1st Street, Suite 2910
Miami, Florida 33128

(c) To City of Miami:

City of Miami
3500 Pan American Drive
Miami, FL 33133

(d) To AIG Claims, Inc.

Mr. Frederick Jahn
AIG Specialty Insurance
Senior Vice President

Environmental Specialty Claims | AIG Property Casualty
101 Hudson Street, 31st Floor
Jersey City, New Jersey 07302

With a Copy To:

Gwynne A. Young, Esq.
Carlton Fields Jordan Burt, PA
4221 W. Boy Scout Boulevard, Suite 1000
Tampa, Florida 33607

24. Authority and Binding Effect:

(a) The individuals signing this Agreement and the Parties on whose behalf such individual are signing hereby represent and warrant that they are empowered and authorized to sign on behalf of and bind the Parties for whom they have signed in all respects.

(b) This Agreement shall be binding upon and shall inure to the benefit of the Parties, their heirs, successors, assigns, affiliated companies, subsidiaries, parents, stockholders, principals, agents and predecessors in interest thereto.

25. If either AIG Specialty or the Miami Marlins is required to bring an action to enforce this agreement, the prevailing Party shall be entitled to their reasonable attorneys' fees and costs of that action.

WE, THE UNDERSIGNED, HEREBY CERTIFY THAT WE HAVE READ THIS ENTIRE AGREEMENT AND HAVE HAD THE TERMS USED HEREIN AND THE CONSEQUENCES HEREOF EXPLAINED BY OUR RESPECTIVE ATTORNEYS. WE FULLY UNDERSTAND ALL THE TERMS AND CONSEQUENCES OF THIS AGREEMENT AND BASED UPON SUCH, EXECUTE IT.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives.

Miami Marlins L.P. (f/k/a Florida Marlins, L.P.)

By: 

Its: PRESIDENTS

Date: 1-25-16

Marlins Stadium Developer, LLC

By: 

Its: PRESIDENTS

Date: 1-25-16

Double Play Company

By: J.P. Jr

Its: PRESIDENT

Date: 1-25-16

Marlins Stadium Operator, LLC

By: J.P. Jr

Its: PRESIDENT

Date: 1-25-16

City of Miami

By: _____

Its: _____

Date: _____

Miami-Dade County

By: _____

Its: _____

Date: _____

AIG Specialty Insurance Company, f/k/a American International Specialty Lines
Insurance Company

By: AIG Claims, Inc., its authorized claims handling representative

Its: _____

Date: _____

Double Play Company

By: _____

Its: _____

Date: _____

Marlins Stadium Operator, LLC

By: _____

Its: _____

Date: _____

City of Miami

By: _____

Its: _____

Date: _____

Miami-Dade County

By: _____

Its: _____

Date: _____

AIG Specialty Insurance Company, f/k/a American International Specialty Lines
Insurance Company

By: AIG Claims, Inc., its authorized claims handling representative

Its: *[Signature]* VP Claims

Date: *1/27/16*

Exhibit 1

AIG Aerospace Adjustment Services, Inc., (f/k/a Chartis Aerospace Adjustment Services, Inc. f/k/a AIG Aviation Adjustment Services, Inc.)
AIG Assurance Company (f/k/a Chartis Casualty Company f/k/a American International South Insurance Company and also American Global Insurance Company)
AIG Claims, Inc. (f/k/a Chartis Claims, Inc. f/k/a AIG Domestic Claims, Inc. and also AIG Claim Services, Inc. and also American International Adjustment Company, Inc.; successor in interest to AIG Technical Services, Inc.)
AIG Claim Services of Nevada, Inc.
AIG Europe, Limited
AIG Insurance Company of Canada (f/k/a Chartis Insurance Company of Canada f/k/a AIG Commercial Insurance Company of Canada and also Commerce and Industry Insurance Company of Canada)
AIG Property Casualty Company (f/k/a Chartis Property Casualty Company f/k/a AIG Casualty Company and also Birmingham Fire Insurance Company of Pennsylvania)
AIG Property Casualty Inc. (f/k/a Chartis, Inc.)
AIG Property Casualty U.S., Inc. (f/k/a Chartis U.S., Inc.; and successor in interest to the "old" Chartis Inc. f/k/a AIU Holdings, Inc. and also AIG Property Casualty Group, Inc.))
AIG Property Casualty International, LLC (f/k/a Chartis International, LLC)
AIG PC Global Services, Inc. (f/k/a Chartis Global Services, Inc.)
AIG Specialty Insurance Company (f/k/a Chartis Specialty Insurance Company f/k/a American International Specialty Lines Insurance Company and also American International Surplus Lines Insurance Company and also Alaska Insurance Company)
AIU Insurance Company (f/k/a American International Insurance Company and also Pacific Insurance Company of New York)
American Home Assurance Company
American International Group, Inc.
Chartis Excess Limited (f/k/a AIG Excess Liability Insurance International Limited and also Starr Excess Liability Insurance International Limited)
Chartis Global Investigations, Inc. (f/k/a AIG World Investigative Resources, Inc.)
Chartis Marine Adjusters, Inc. (f/k/a AI Marine Adjusters, Inc.)
Commerce and Industry Insurance Company
Granite State Insurance Company
Illinois National Insurance Co.
Lexington Insurance Company (and successor in interest to Chartis Select Insurance Company (f/k/a AIG Excess Liability Insurance Company Ltd. and also Starr Excess Liability Insurance Company Ltd.)
National Union Fire Insurance Company of Pittsburgh, Pa. (and successor in interest to Audubon Indemnity Company, Audubon Insurance Company, National Union Fire Insurance Company of Louisiana and Landmark Insurance Company)
National Union Fire Insurance Company of Vermont
New Hampshire Insurance Company
Specialty Claims Consultants, Inc. (f/k/a Global Loss Prevention, Inc.)
The Insurance Company of the State of Pennsylvania

DISTRIBUTION AGREEMENT

This Distribution Agreement ("Agreement") is entered into between Miami-Dade County (the "County"), the City of Miami (the "City"), Marlins Stadium Developer, LLC (the "Marlins"), Marlins Stadium Operator, LLC, Florida Marlins, L.P. (now doing business as Miami Marlins, L.P.), and Double Play Company on the _____ day of _____, 2016. The entities referenced above are collectively referred to as the "Parties."

RECITALS

WHEREAS, the City, the County, and the Marlins entered into a Construction Administration Agreement, and the City, the County and Florida Marlins, L.P. entered into a Baseball Stadium Agreement (such agreements collectively referred to herein as the "Stadium Agreements") in conjunction with the construction of the Miami Marlins ballpark ("Ballpark") and public infrastructure work related thereto (jointly referred to as the "Project"); and

WHEREAS, in accordance with the Stadium Agreements, the Parties procured a Pollution Legal Liability Policy Number 12119460 for the Policy Period from August 28, 2008 to August 28, 2018 (the "PLL") and a Contractors Pollution Liability Policy Number 25825364 for the Policy Period from July 1, 2009 to May 1, 2012 (collectively the "Policies") with coverage limits of \$8 million from American International Specialty Lines Insurance Company n/k/a AIG Specialty Insurance Company ("AIG"); and

WHEREAS, the Parties tendered a claim on the Policies relating to the construction of the Project; and

WHEREAS, the Parties and AIG mediated this dispute on November 12, 2015; and

WHEREAS, at mediation, AIG agreed to pay a total of \$2,910,142.13 in full and final settlement of the claim ("Proceeds"); and

WHEREAS, the Parties and AIG entered into a settlement agreement subject to approval by the City Commission and the County Commission, which settlement agreement is attached as Exhibit A; and

WHEREAS, accordingly, the Parties desire to enter into this Agreement in order to set forth how the Proceeds should be divided amongst the Parties; and

WHEREAS, as the Parties have reasonably determined that 73.3% of the remediation costs were incurred in relation to construction of the Ballpark and 26.7% of the remediation costs were incurred in relation to the construction of the public infrastructure work, the Parties desire to allocate the Proceeds based on this same distribution, acknowledging that the City and the County each funded one-half of the public infrastructure work; and

WHEREAS, specifically, the Parties desire to distribute the Proceeds so that the Ballpark receives 73.3% of the Proceeds, to be deposited into the Capital Reserve Fund, and the County and the City each receiving 13.35% of the Proceeds, less attorneys' fees and costs and, with respect to the City, less the deductible; and

WHEREAS, in accordance with the Stadium Agreements, the City is required to pay the \$50,000 deductible on the Policies; and

WHEREAS, this Agreement is subject to the approval of the City Commission and the County Commission,

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the Parties agree as follows:

1. The above recitals are true and correct and are fully incorporated by reference as if set forth herein and are deemed approved by the Parties.
2. The Parties agree to the distribution of the Proceeds amongst them as follows:

	Capital Reserve Fund	County	City
	73.3%	13.35%	13.35%
\$2,910,142.13 Settlement from AIG	\$2,133,134.18	\$388,503.97	\$388,503.97
\$50,000 Deductible			\$ (50,000)
Re-distribution of deductible	\$36,650.00	\$6,675.00	\$6,675.00
Reimbursement for Attorneys' Fees and Costs (Total \$504,095.91)	\$134,593.60	\$ (67,296.80)	\$ (67,296.80)
Net Payment	\$2,304,377.78	\$327,882.17	\$277,882.17

3. Within thirty (30) days of the Marlins' receipt of the Proceeds from AIG, the Marlins shall:
 - a. Deposit \$2,304,377.78 into the Capital Reserve Fund (as such term is defined in the Construction Administration Agreement);
 - b. Remit \$327,882.17 to the County via wire transfer.
 - c. Remit \$277,882.17 to the City via wire transfer.

4. Entire Agreement: This Agreement constitutes the entire Agreement between the Parties regarding the distribution of Proceeds arising from the claims made under the Policies. This Agreement shall not nullify, affect, or otherwise modify the terms of any other agreement between the Parties, including, but not limited to, the Stadium Agreements, the Operating Agreement, the City Parking Agreement, the Assurance Agreement, and the Non-Relocation

Agreement. Except as explicitly set forth in this Agreement, there are no representations, warranties, or inducements, whether oral, written, expressed, or implied, that in any way affect or condition the validity of this Agreement or any of its conditions or terms. All prior negotiations related to the subject matter hereof, oral or written, are merged into this Agreement.

5. Applicable Law: This Agreement shall be interpreted under and governed by the laws of the State of Florida without regard to general principles of choice of law which might otherwise call for the application of a different state's or jurisdiction's law.

6. Authorship: The Parties agree that this Agreement reflects the joint drafting efforts of all Parties. In the event any dispute, disagreement or controversy arises regarding this Agreement, the Parties shall be considered joint authors and no provision shall be interpreted against any Party because of authorship.

7. Execution: This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

8. Amendment: This Agreement may not be amended or modified except by a written instrument signed by the duly authorized representatives of all of the Parties.

9. Severability: In the event that any of the provisions of this Agreement are deemed to be invalid and unenforceable, those provisions shall be severed from the remainder of this Agreement.

10. Notices: Any statements, communications or notices to be provided pursuant to this Agreement shall be sent by certified mail to the attention of the Parties indicated below, until such time as notice of any change of person to be notified or change of address is forwarded to all Parties:

(a) To the Marlins:

ATTN: David P. Samson

Miami Marlins, L.P. 501 Marlins Way

Miami, FL 33125

With a Copy To:

ATTN: Ashwin Krishnan

Miami Marlins, L.P.

501 Marlins Way Miami, FL 33125

(b) To the City.

City Attorney
444 SW 2nd Avenue, 9th Floor
Miami, Florida 33130

(c) To the County.

Deputy Mayor
111 NW 1st Street, Suite 2900
Miami, Florida 33128

With a Copy To:

County Attorney
111 NW 1st Street, Suite 2810
Miami, Florida 33128

11. Authority and Binding Effect:

(a) The individuals signing this Agreement and the Parties on whose behalf such individual are signing hereby represent and warrant that they are empowered and authorized to sign on behalf of and bind the Parties for whom they have signed in all respects.

(b) This Agreement shall be binding upon and shall inure to the benefit of the Parties, their heirs, successors, and assigns.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives.

Miami Marlins L.P. (f/k/a Florida Marlins, L.P.)

By: [Signature]

Its: PRESIDENT

Date: 3-16-16

Marlins Stadium Developer, LLC

By: [Signature]

Its: PRESIDENT

Date: 3-16-16

Double Play Company

By: _____

Its: _____

Date: _____

[Signature]
President

3-16-16

Marlins Stadium Operator, LLC

By: _____

Its: _____

Date: _____

[Signature]
President

3-16-16

City of Miami

By: _____

Its: _____

Date: _____

Miami-Dade County

By: _____

Its: _____

Date: _____